

MEMORANDUM

May 29, 2007

TO: Planning, Housing, and Economic Development Committee
CHS
FROM: Charles H. Sherer, Legislative Analyst
SUBJECT: Program budgeting for the Recreation Department

Background The Council discusses the budget for each County Government department by program. However, in all years before FY07, the Council's appropriation for each department was not by program. Instead, the Council's appropriation for each department was by category of expense: personnel costs, operating expenses, and capital outlay, as shown in the resolution on ©1-2. The FY07 operating budget that the Council approved on May 25, 2006 included appropriations by program (and also by category of expense) for the first time for one department as a pilot, for Libraries, as shown below (©2).

Department of public libraries appropriation	Personnel	Operating	Total
Administration, outreach and support services	1,899,260	1,434,640	3,333,900
Library services to the public	26,381,110	427,810	26,808,920
Collection management	1,977,540	6,095,370	8,072,910
Department of public libraries total	30,257,910	7,957,820	38,215,730

In the Council's FY08 operating budget resolution, libraries is the only department with an appropriation by program. The MFP Committee has expressed an interest in expanding program budgeting to other departments. The purpose of this discussion is to discuss with Recreation and OMB staff the possibility of appropriating the budget for the Recreation Department by program. The programs in the Department's FY08 operating budget are shown on ©3.

Some issues for discussion are:

1. Is there a way to overcome the constraints of the County's antiquated financial accounting system?

2. Will the new system have any such constraints?
3. Does program budgeting create any difficulties in administering the appropriations, and how can any difficulties be overcome?
4. How do staff who work on more than one program account for their time so that they can charge the appropriate program?

FY07 OPERATING BUDGET FOR MONTGOMERY COUNTY GOVERNMENT

**SECTION A: GENERAL FUND
(Tax Supported)**

The Council approves and appropriates the following amounts.

ORGANIZATION IDENTIFICATION	PERSONNEL COSTS	OPERATING EXPENSE	CAPITAL OUTLAY	TOTAL
GENERAL GOVERNMENT				
COUNTY COUNCIL OFFICE APPROPRIATION	7,331,580	846,360	0	8,177,940
BOARD OF APPEALS APPROPRIATION	491,940	72,900	0	564,840
OFFICE OF INSPECTOR GENERAL APPROPRIATION	521,730	55,530	0	577,260
OFFICE OF LEGISLATIVE OVERSIGHT APPROPRIATION	1,168,640	63,900	0	1,232,540
MERIT SYSTEM PROTECTION BOARD APPROPRIATION	128,380	15,610	0	143,990
PEOPLE'S COUNSEL APPROPRIATION	211,180	13,990	0	225,170
OFFICE OF ZONING AND ADMINISTRATIVE HEARINGS APPROPRIATION	358,940	94,620	0	453,560
CIRCUIT COURT APPROPRIATION*	7,716,290	2,186,730	0	9,903,020
OFFICE OF THE STATE'S ATTORNEY APPROPRIATION*	10,480,620	504,050	0	10,984,670
OFFICES OF THE COUNTY EXECUTIVE APPROPRIATION*	4,127,920	339,340	0	4,467,260
MONTGOMERY COUNTY BOARD OF ELECTIONS APPROPRIATION	2,578,250	4,587,410	0	7,165,660
BOARD OF LICENSE COMMISSIONERS APPROPRIATION	900,820	142,250	0	1,043,070
COMMISSION FOR WOMEN APPROPRIATION	1,064,310	171,000	0	1,235,310
OFFICE OF THE COUNTY ATTORNEY APPROPRIATION	4,632,470	542,140	0	5,174,610
ETHICS COMMISSION APPROPRIATION	214,640	10,250	0	224,890
DEPARTMENT OF FINANCE APPROPRIATION	8,580,830	1,966,780	0	10,547,610
HUMAN RIGHTS COMMISSION APPROPRIATION	2,079,260	194,160	0	2,273,420
OFFICE OF CONSUMER PROTECTION	2,398,130	194,050	0	2,592,180
OFFICE OF HUMAN RESOURCES APPROPRIATION	5,140,810	2,366,360	0	7,507,170
OFFICE OF INTERGOVERNMENTAL RELATIONS APPROPRIATION*	612,490	114,440	0	726,930
OFFICE OF MANAGEMENT AND BUDGET APPROPRIATION	3,644,710	164,150	0	3,808,860
OFFICE OF PROCUREMENT APPROPRIATION	2,697,020	232,750	0	2,929,770
OFFICE OF PUBLIC INFORMATION APPROPRIATION	1,034,280	208,480	0	1,242,760
REGIONAL SERVICES CENTERS APPROPRIATION	2,992,940	903,820	0	3,896,760

ORGANIZATION IDENTIFICATION	PERSONNEL COSTS	OPERATING EXPENSE	CAPITAL OUTLAY	TOTAL
DEPARTMENT OF TECHNOLOGY SERVICES APPROPRIATION	17,471,280	16,315,130	152,630	33,939,040
DEPARTMENT OF CORRECTION AND REHABILITATION APPROPRIATION	51,828,050	6,845,900	0	58,673,950
DEPARTMENT OF HOMELAND SECURITY	4,765,640	1,305,220	0	6,070,860
POLICE DEPARTMENT APPROPRIATION*	173,231,930	30,419,770	0	203,651,700
OFFICE OF THE COUNTY SHERIFF APPROPRIATION*	15,898,980	2,408,360	0	18,307,340
DEPARTMENT OF PUBLIC WORKS AND TRANSPORTATION APPROPRIATION	34,268,230	31,869,930	0	66,138,160
DEPARTMENT OF HEALTH AND HUMAN SERVICES APPROPRIATION*	113,118,220	91,686,170	0	204,804,390
→ DEPARTMENT OF PUBLIC LIBRARIES APPROPRIATION*				
ADMINISTRATION, OUTREACH AND SUPPORT SERVICES	1,899,260	1,434,640	0	3,333,900
LIBRARY SERVICES TO THE PUBLIC	26,381,110	427,810	0	26,808,920
COLLECTION MANAGEMENT	1,977,540	6,095,370	0	8,072,910
DEPARTMENT OF PUBLIC LIBRARIES TOTAL*	30,257,910	7,957,820	0	38,215,730
DEPARTMENT OF ECONOMIC DEVELOPMENT APPROPRIATION*	4,280,680	2,852,850	0	7,133,530
DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS APPROPRIATION*	4,873,420	646,960	0	5,520,380
DEPARTMENT OF ENVIRONMENTAL PROTECTION APPROPRIATION	3,392,480	1,209,650	0	4,602,130
SUBTOTAL - DEPARTMENTAL ACCOUNTS	524,495,000	209,508,830	152,630	734,156,460

Recreation

MISSION STATEMENT

The mission of the Department of Recreation is to provide high quality, diverse, and accessible programs, services, and facilities that enhance the quality of life for all ages, cultures, and abilities.

BUDGET OVERVIEW

The total recommended FY08 Operating Budget for the Department of Recreation is \$31,192,970, an increase of \$2,749,080 or 9.7 percent from the FY07 Approved Budget of \$28,443,890. Personnel Costs comprise 64.9 percent of the budget for 151 full-time positions and 16 part-time positions for 452.2 workyears. Operating Expenses account for the remaining 35.1 percent of the FY08 budget.

The Debt Service for the Recreation Fund is appropriated in the Debt Service Fund and is, therefore, not displayed in this section. To pay for the Debt Service, a transfer of funds from the Recreation Fund to the Debt Service Fund of \$7,916,480 is required to cover general obligation bond and long-term lease costs.

Additionally, it should be noted that the Department manages an estimated \$8,500,000 Agency Fund. This Fund is designated for handling contracted programs and services and is entirely revenue supported. The net proceeds of these activities are accounted for in the Recreation Fund.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

HIGHLIGHTS

- ❖ **Gang and Youth Violence Prevention Initiative - Annualize funding for the Sports Academies at Wheaton, Springbrook and Paint Branch High Schools.**
- ❖ **Gang and Youth Violence Prevention Initiative - Implement a Sports Academy in the UpCounty Region which will bring the total number of Sports Academies to six.**
- ❖ **Gang and Youth Violence Prevention Initiative - Provide funding for immediate improvements to the five neighborhood recreation centers: Scotland, Ross Boddy, Clara Barton, Good Hope, and Plum Gar.**
- ❖ **Gang and Youth Violence Prevention Initiative - Conduct a feasibility study for multi-purpose youth centers.**
- ❖ **Senior Initiatives - Expand senior travel opportunities by providing additional funding for short senior bus**

Program Summary

	Expenditures	WYs
Aquatics	5,369,910	141.4
Camps and Classes	2,377,950	45.2
Recreation Regions and Community Centers	5,261,640	91.5
Sports	2,062,580	33.2
Seniors and Therapeutic Recreation Programs	2,613,490	37.6
Planned Lifecycle Asset Replacement (PLAR)	1,072,940	0.0
Affiliated Recreation Services	1,784,900	15.9
Teen Team	4,306,150	62.4
Management Services	1,429,760	15.2
Fixed Costs	2,867,580	0.0
Administration/Policy Management	2,046,070	9.8
Totals	31,192,970	452.2

Trends

